

State of Utah Department of Commerce Division of Securities

FRANCINE A. GIANI
Executive Director

JASON P. PERRY Deputy Director WAYNE KLEIN
Director of Securities

NEWS RELEASE

July 25, 2006

Seller of Educational Programs Pleads Guilty to Securities Fraud Garner sold notes in "Attitude Adjustment Factory," had violated earlier order . . .

SALT LAKE CITY, Utah – The Utah Division of Securities announced today that Janelle Moore Garner, of Ogden, pleaded guilty to a felony charge of securities fraud for sales of promissory notes to investors. As part of the plea bargain, five other felony counts that had been filed against her in December 2005 were dropped.

Garner owns and operates the Attitude Adjustment Factory, a Utah company that says it teaches mental tools that nurture positive interaction between parents and children. In 2001, she was ordered by the Division of Securities to cease violating the law by selling unregistered securities and failing to disclose to investors that there were unpaid judgments against her. When investigators discovered that she was continuing to solicit investments, criminal charges were filed against her by the Utah Attorney General.

According to the criminal charges, Garner violated the earlier cease and desist order and did not tell investors about prior unpaid judgments against her, inform them that prior investors had not been repaid, or disclose the risks of the investment. She also falsely claimed that an educational program developed by her company had been approved by the Utah Board of Education.

As part of the criminal conviction, Garner will pay restitution to her investors. An initial payment of \$4,500 will go to the six investors identified in the criminal charges. Garner also will make restitution to earlier investors.

The office of Adult Probation and Parole will make a presentence report to the judge before sentencing on the conviction, which is set for September 5, 2006.

Investors are encouraged to call the Division of Securities at (801) 530-6600 before investing to make sure the people selling securities are licensed.